

## Rep. Matsui Supports Landmark Wall Street Reforms and Consumer Protection Legislation

Today, Congresswoman Doris Matsui (D-Sacramento) voted in favor of H.R. 4173, the Wall Street Reform and Consumer Protection Act, which will provide long-overdue oversight of our nation's financial systems, and protect Sacramento families and other homeowners nationwide. The legislation also includes two amendments that were written by Rep. Matsui. The first preserves the Federal Trade Commission's (FTC) authority to conduct rule-making on unfair and deceptive practices. The second, known as the Matsui Amendment, was approved unanimously yesterday on the floor of the House of Representatives. The Matsui Amendment requires mortgage servicers or lenders participating in the Making Home Affordable Program to publicly report their progress in helping responsible homeowners stay in their homes.

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House Passes Bill Including Two Matsui Amendments

WASHINGTON, D.C. – Today, Congresswoman Doris Matsui (D-Sacramento) voted in favor of H.R. 4173, the Wall Street Reform and Consumer Protection Act, which will provide long-overdue oversight of our nation's financial systems, and protect Sacramento families and other homeowners nationwide. The legislation also includes two amendments that were written by Rep. Matsui. The first preserves the Federal Trade Commission's (FTC) authority to conduct rule-making on unfair and deceptive practices. The second, known as the Matsui Amendment, was approved unanimously yesterday on the floor of the House of Representatives. The Matsui Amendment requires mortgage servicers or lenders participating in the Making Home Affordable Program to publicly report their progress in helping responsible homeowners stay in their homes.

Rep. Matsui issued the following statement today in regards to today's passage in the House of Representatives of the Wall Street Reform and Consumer Protection Act:

"In today's economic recession, many families in Sacramento have been greatly impacted by the economic crisis. And many continue to be victims of predatory home loan lending, unfair credit cards practices, payday loans, and

other abusive financial practices. The ink is hardly dry on the new credit card law, but we continue to see companies finding ways to arbitrarily raise credit card interest rates and fees on consumers. Struggling homeowners are also seeking assistance to keep their homes, but continue to be tricked into scams and bogus mortgage schemes. It is clear that consumers are not being properly protected from unfair and deceptive financial practices.

“That is why I supported moving the implementation date of the Credit Card Reform law from February to December 1st to stop credit card companies from unfairly increasing fees and interest rates. I am also a cosponsor of the Overdraft Protection Act to stop banks from unfairly charging consumers with high overdraft fees for routine transactions. And today, I proudly cast my vote in support of the Wall Street Reform and Consumer Protection Act that will create a new Consumer Financial Protection Agency tasked with protecting consumers from financial fraud and deceptive financial practices.

“By implementing long-overdue financial oversight and consumer protection legislation, this Congress is tackling the greatest challenges our country is facing. And by doing so, we are making America — and Sacramento — stronger.

“The Wall Street Reform and Consumer Protection Act incorporates nine major pieces of legislation to address the myriad of causes — from unregulated derivatives trading to a lack of accountability on Wall Street to predatory lending — that led to the economic meltdown we saw last year. But the days of risky rules are over. This comprehensive set of measures will modernize America’s financial regulations, and hold Wall Street accountable for their actions.

“I am pleased to announce that I have had two amendments included in this landmark legislation, which will help strengthen the bill and help families all across the country, stay out of uncontrollable debt, and stay in their homes.

“For eight years, President Bush and his Republican allies looked the other way as Wall Street and big banks played Russian roulette with our economy. And we lost. In fact, Americans lost nearly \$5 trillion dollars in last year’s meltdown. Seniors lost trillions in their retirements. College funds were diminished. And small business lost access to necessary capital.

“As we rebuild our economy, we must put in place common-sense rules to ensure Wall Street and the biggest banks can no longer jeopardize our recovery and hurt hard-working families and small businesses. This historic legislation will help protect Sacramentans who need and deserve honest practices to ensure the health and well-being of their families and their futures.”

The Wall Street Reform and Consumer Protection Act:

- Protects families and small businesses by ensuring that bank loans, mortgages, and credit cards are fair, affordable, understandable, and transparent by creating a new Consumer Financial Protection Agency. Current rules prevent companies from selling us toasters that burn down our homes. Similar rules should bar the financial industry from offering mortgage loans to people who cannot afford repayment.

- Ends predatory lending practices that occurred during the subprime lending frenzy.

- Ends “too big to fail” financial firms before risky and irresponsible behavior threatens to bring down

the entire economy.

- Prevents costly taxpayer bailouts with new procedures to unwind failing companies that pose the greatest risk — paid for by the financial industry and not the taxpayers.

- Creates tough new rules on the riskiest financial practices that gambled with your money and caused the financial crash, like the credit default swaps that devastated AIG, and common sense regulation of derivatives and other complex financial products offered to consumers.

- Creates more enforcement power and funding for the Securities and Exchange Commission, including requiring registration of hedge funds and private equity funds

Enhanced oversight and transparency for credit rating agencies, whose seal of approval gave way to excessively risky practices that led to a financial collapse

- Addresses egregious executive compensation, allowing a “say on pay” for shareholders, requiring independent directors on compensation committees, and limiting bank executive risky pay practices that jeopardize banks’ safety and soundness.

The Wall Street Reform and Consumer Protection Act is endorsed by the Consumers Union, the nonprofit publisher of Consumer Reports magazine, and many consumer advocate organizations.

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